

## **Exhibit 3**

## CONFIDENTIAL SUMMARY OF TERMS FOR PROPOSED INTEGRATOR SERVICES FOR DLA DEPLOYABLE CT PROJECT

The intent of this term sheet (this “Term Sheet”) is to describe, for subcontract negotiation purposes, certain terms of an agreement between Western Shelter Systems (“Integrator”) and Siemens Medical Solutions USA, Inc. (“Siemens”) regarding potential planning, design and integration services, modification/fabrication services, and other materials, supplies and services (“Deliverables”) of Integrator for a Defense Logistics Agency (“DLA”) Request for Offer (“RFO”) for Deployable CT Project DLA-FSDA-RFO-12142017 (“Project”). Exhibit A contains the RFO.

The parties acknowledge that their contractual obligations related to the RFO also include a Non-Disclosure Agreement between the parties dated January 9, 2018, and a Teaming Agreement between the parties effective January 23, 2018.

This Term Sheet is non-binding on either party, except for the section below which is designated as binding. Following the award of a purchase order to Siemens for the Project that requires the Deliverables, the parties hereby agree to negotiate in good faith and execute a formal agreement for a fixed price subcontract (“Subcontract”) containing all final and binding commitments, terms and conditions regarding the Project.

<b>Purpose of Term Sheet and Subcontract Agreement; Relationship of the Parties</b>	<p>Integrator’s Deliverables for the Project shall ultimately be governed by the terms and conditions of the Subcontract to be negotiated and executed following a contract award by DLA to Siemens. However, to assist Siemens in submitting an offer within the competitive range for the RFO, the parties agree that the key Deliverables, pricing, timelines and other key terms of the Subcontract should be finalized now to facilitate a cost-competitive, responsive offer to DLA.</p> <p>The parties hereby acknowledge and agree that Integrator is purely an independent subcontractor and Integrator would not participate with Siemens as a co-offeror to DLA of any services, supplies or materials.</p>
<b>Project Description</b>	<p>In accordance with the Teaming Agreement Sec. 6, Integrator has the obligation to provide the Delivery Responsibilities to Siemens, so that Siemens can prepare an offer for the integration of an ISO Shelter with a Siemens CT, consistent with the specifications and terms of the RFO, attached hereto as Exhibit A.</p> <p>One or more purchase orders and modifications thereof may be negotiated by the parties for the Project Deliverables pursuant to the terms of the Subcontract. Additional projects similar in scope to the Deployable CT Project may be discussed and pursued by the parties pursuant to the terms of the Subcontract as mutually amended by the parties.</p>



**Pricing,  
Payment,  
Technical and  
Delivery Terms  
and Conditions  
for Subcontract**

**(Binding)**

Siemens and Integrator will agree on certain Subcontract terms as follows:

- (1) Fixed Price, Price Increase and Payment Terms: Integrator will be paid the per-Unit fixed prices for the Integrator Project Deliverables supplied to DLA pursuant to the RFO and set forth in Exhibit B, under the following price and payment terms:
  - (a) For all Project Deliverables (if included in a DLA Purchase Order issued pursuant to the RFO), Siemens will pay Integrator a per-Unit Price of \$166,869.13 as specified in Exhibit B.
  - (b) The above per-Unit price shall be increased by: (i) 2.1% on a year-over-year basis starting on the anniversary date of the first invoice submitted by Integrator to Siemens, with a 2.1% increase applied per-Unit Deliverable to all invoices submitted during the one-year period after that anniversary date; and (ii) the amount of the Integrator's request for equitable adjustment (REA) arising from significant unforeseen increases in the price for material/supplies (aluminum, steel, copper, and related commodities) used for Project Deliverables, provided that this Integrator REA is approved by Siemens and DLA. Should either Siemens or DLA disapprove this Integrator REA, then Siemens agrees to sponsor the Integrator REA as a contract claim to DLA under the terms of Siemens' contract with DLA and the federal acquisition regulation. Integrator shall bear the expense of pursuing the REA as a contract claim, and Integrator shall accept the final outcome of the negotiations or litigation of such claim in determining the amount to adjust Integrator invoices as a result of the REA.
  - (c) Invoices submitted by Integrator to Siemens shall contain no further price adjustment except as adjusted for certain DLA-related scope changes under paragraphs (2) and (3) below. Invoices submitted by Integrator shall cover all Deliverables applicable to Integrator under the terms of all then-current contracts and purchase orders awarded by DLA to Siemens under the RFO.
  - (d) Payment for any Project Deliverable Units 1-45 shall be made by Siemens to Integrator as follows: (i) 80% of the per-Unit price invoiced by Integrator to Siemens shall be paid by Siemens to Integrator within 30 days after the date Integrator delivers the Unit to DLA at the location designated by DLA (FOB Destination); (ii) the remaining 20% of the per-Unit price would be paid by Siemens to Integrator within 30 days of the date of DLA's acceptance of the Unit. If Integrator does not receive these payments within 60 days of the delivery/acceptance dates specified in this subparagraph (d), then Siemens agrees to pay a finance charge of .5% per month to be applied to the applicable amount of the Integrator's invoice starting with the 61<sup>st</sup> day after delivery/acceptance.
- (2) Technical: For the First Article Test Unit required by the RFO, the Integrator's Deliverables shall comply with the applicable specifications of the RFO, attached as Exhibit A hereto. For further purchases of the Integrator's Deliverables for additional Units, Integrator shall comply with any applicable amendments to the RFO terms applicable to Integrator's Deliverables. If such specification amendments impose materially greater costs on Integrator, then Siemens shall agree to submit a request for modification of the contract. If such amendments impose materially lower costs, then the parities shall make a downward adjustment in the Subcontract.
- (3) Delivery Requirements and Testing: For the First Article Test Unit required by the RFO, the Integrator's Deliverables shall be provided within 120 days of the RFO's Unit delivery deadline. Integrator will assist Siemens in complying with the applicable RFO provisions in Exhibit A relating to testing and evaluation of the First Article Test Unit relating to Integrator's Deliverables. If there are DLA-mandated changes or amendments to RFO testing and evaluation terms that impose materially greater costs on Integrator for the First Article Test Unit or subsequent Units, then Integrator will continue to assist Siemens in complying with these changes or amendments; *provided, however,* the parties shall seek to obtain a request for modification from DLA for any test-and-evaluation changes or amendments that impose material greater costs on Integrator. If such testing-related amendments impose materially lower costs, then the parties shall make a downward adjustment in the Subcontract.

<b>Additional Terms for Subcontract; Federal Acquisition Regulation flow-downs</b>	The Subcontract shall contain additional terms and conditions that are common for U.S. military subcontracts, including terms regarding limitations of liability, indemnification, termination, assignability, compliance with laws, and such other terms that are mutually-agreeable to the parties. The Subcontract shall also contain certain binding contractual clauses under the Federal Acquisition Regulation ("FAR") and the Defense Department supplement to that regulation ("DFAR"). These clauses have not been finalized by the DLA in the RFO for future incorporation into a final contract with a successful offeror, but Siemens is attaching as Exhibit C the FAR and DFAR clauses that Siemens believes would likely be applicable to the Subcontract and Integrator's Project Deliverables
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The parties hereby acknowledge that the terms and conditions of this Term Sheet are acceptable as a basis for negotiating a Subcontract. Except for the designated paragraphs above, this Term Sheet is non-binding on either party. Neither this Term Sheet, nor any oral or written communication concerning the matters covered by this Term Sheet, shall create any binding obligations on either party unless the matters have been designated as binding, or until a Subcontract is negotiated and executed by both parties in a form approved by each party's management and legal counsel. Until any such Subcontract is executed, either party may discontinue discussions or negotiations regarding the Subcontract at any time with no resulting liability.

Notwithstanding any of the foregoing in this Term Sheet or otherwise, the parties hereby acknowledge and agree that the terms of this Term Sheet and the content of all negotiations or other discussions related thereto shall be considered "Information" of both parties as such term is defined in the Non-Disclosure Agreement between the parties, which, for the avoidance of doubt, shall remain in full force and effect during the term of any Subcontract.

**INTEGRATOR:**

Western Shelter Systems

Signed By:



Printed Name: Michael Scala  
Title: President

Date: 3/6/2018

**SIEMENS MEDICAL SOLUTIONS USA, INC.**

Signed By: Duffy-Sandstrom  
Sabine

  
Digitally signed by Duffy-Sandstrom Sabine  
DN: serialNumber=Z000BJFS, givenName=Sabine,  
sn=Duffy-Sandstrom, o=Siemens, cn=Duffy-  
Sandstrom Sabine  
Date: 2018.03.30 21:05:12 -04'00'

Printed Name: Duffy-Sandstrom  
Title: VP Federal Accounts

Date: 3/6/2018

Signed By:

Roth Christopher

  
Digitally signed by Roth Christopher  
DN: serialNumber=Z000BEGO, givenName=Christopher,  
sn=Roth, o=Siemens, cn=Roth Christopher  
Date: 2018.04.02 06:48:13 -04'00'

Printed Name: Roth Christopher  
Title: Chris Roth

Date: 3/6/2018

Exhibit A: Deployable CT RFO as amended  
Exhibit B: Integrator Pricing Worksheet  
Exhibit C: FAR/DFARS Flow-downs for Integrator

Western Shelter multiyear pricing for CT Scanner Project				
Year	Integration Price	Three in one Container Price	NRE	Notes
				One time fee for design, development, and testing. 50% paid at time of first order placement, balance under standard terms
2018	\$166,869.13	\$177,635.84	\$171,428.57	
2019	\$170,373.38	\$181,366.19		
2020	\$173,951.22	\$185,174.88		
2021	\$177,604.20	\$189,063.56		
2022	\$181,333.89	\$193,033.89		
2023	\$185,141.90	\$197,087.60		
2024	\$189,029.88	\$201,226.44		
2025	\$192,999.51	\$205,452.20		
2026	\$197,052.50	\$209,766.69		
2027	\$201,190.60	\$214,171.79		